

## Spring 2015 Brings Reduced Energy Prices

**National Grid customers can anticipate lower electricity and natural gas bills starting May 1**

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WALTHAM, MA - [National Grid](#)'s customers in Massachusetts -- nearly one million Basic Service electricity customers and approximately 900,000 natural gas customers -- can anticipate lower bills this spring as energy costs decline.

Starting May 1, if approved by the Massachusetts Department of Public Utilities, typical residential customers using 500 kWh of electricity who receive Basic Service will see an electric bill that is 26 percent lower than their current bill. Also starting in May, typical residential natural gas customers using between 26 and 28 therms of gas per month will see a decrease in their monthly bills of between 25 percent and 30 percent.

"As we emerge from what has been a relentless winter, we are pleased that our customers will start to feel some relief from what we know has been a challenge to their energy budgets," said Marcy Reed, president of National Grid in Massachusetts. "Though we can't take credit for the drop in energy prices, we're committed to pursuing solutions that help stabilize electricity and natural gas costs for our customers, regardless of the season."

While the decrease in energy costs is good news for customers, as a "pipes-and-wires" company, National Grid doesn't control the cost of generating electricity or natural gas supply costs. National Grid does not make money on the electricity or gas it purchases on behalf of customers; the cost of these commodities is passed through to customers without mark up.

National Grid, however, is concerned about the impact these costs have on customers all year long and is here to [help customers manage these costs](#) and advocate for long-term energy solutions for the region. New England has been dealing with pipeline infrastructure constraints, which limit the amount of natural gas available for electricity generation. At the same time, there is a need for cleaner and more reliable energy. A three-part strategy of advancing renewables,



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increasing energy efficiency, and increasing gas transmission and pipeline capacity is the company's solution to helping solve this unprecedented challenge.

### **Electric Rates**

Typical residential Basic Service customers using 500 kWh per month can expect to see a decrease of 26 percent, or about \$32, on their overall electricity bill this spring, beginning in May, versus today's bill. If approved by the DPU, the Basic Service charge, found in the supply services portion of the bill, will drop from the current rate of more than 16 cents per kWh to just above 9 cents per kWh, a decrease of more than 40 percent.

The decrease is primarily attributable to fluctuations in wholesale electricity market prices, costs that National Grid does not control. National Grid does not generate electricity and plays no role in determining market prices; the company delivers electricity to customers' homes and businesses.

While customers will see a significant decrease in the overall bill this season, Basic Service prices are, year on year, slightly higher when comparing May 2014 with May 2015. This is due to higher wholesale electric prices in New England brought on by natural gas interstate pipeline constraints impacting the region. Last May, the Basic Service charge was just above 8 cents per kWh. This year, if approved, the charge will be just above 9 cents per kWh, a 12 percent increase over last May (\$5 on the monthly bill) for a Basic Service customer using 500 kWh of electricity.

New Englanders should be advised that though these power supply costs generally reflect a reduction in bills for the summer months, bills are likely to increase again next winter because of ongoing pipeline capacity constraints.

### **Natural Gas Rates**

Beginning May 1, a typical Boston Gas customer using 28 therms per month can expect to see a decrease of approximately 30 percent, or about \$12 less, versus today's bill. A typical Colonial Gas customer using 26 therms can expect a decrease of approximately 25 percent, or about \$9.

Compared with the natural gas bills last spring, a typical customer using between 26 and 28 therms of natural gas per month will see a decrease of about 19 percent, or \$7, for the same amount of gas. The decrease is driven by a reduction in the commodity cost of natural gas.



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### How Can You Lower Your Bills?

- While energy costs are down this spring, they are likely to increase again next winter. National Grid encourages customers to take control of their energy use year-round: The company encourages customers to learn about energy efficiency, savings tips and much more by clicking [here](#).
- Billing options and discount rates also are available to help eligible customers who may have difficulty paying their monthly gas or electric bill. Discounted rates are based on service area and certain eligibility requirements. For more information about the availability of these rates, customers should contact National Grid at 800-322-3223.
- National Grid offers programs to help customers spread payments out more evenly across the year, which are particularly helpful to those on fixed incomes. This service is available to customers all year long.

### **About National Grid**

National Grid (LSE: NG; NYSE: NGG) is an electricity and natural gas delivery company that connects nearly 7 million customers to vital energy sources through its networks in New York, Massachusetts and Rhode Island. It is the largest distributor of natural gas in the Northeast. National Grid also operates the systems that deliver gas and electricity across Great Britain.

Through its U.S. Connect21 strategy, National Grid is transforming its electricity and natural gas networks to support the 21<sup>st</sup> century digital economy with smarter, cleaner, and more resilient energy solutions. Connect21 is vital to our communities' long-term economic and environmental health and aligns with regulatory initiatives in New York (REV: Reforming the Energy Vision) and Massachusetts (Grid Modernization).

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